

**CITY COUNCIL WORK SESSION
CITY OF WATERTOWN
November 10, 2014
7:00 p.m.**

Mayor Jeffrey E. Graham Presiding

Present: Council Member Roxanne M. Burns
Council Member Joseph M. Butler, Jr.
Council Member Stephen A. Jennings
Council Member Teresa R. Macaluso
Mayor Graham

Also Present: Sharon Addison, City Manager

City staff present: Eugene Hayes, Deputy Fire Chief Russell Randall, Justin Wood, Ann Saunders, Erin Gardner, Michael Sligar

The meeting opened with a moment of silence and Mayor Graham asked that it be in remembrance of Robert J. Thomas former Jefferson County Legislator.

DISCUSSION

Refuse and Green Waste Program - Eugene P. Hayes, Superintendent of Public Works

Eugene Hayes introduced Pete Monaco, Assistant Superintendent of Public Works and in charge of the refuse collection, and stated that they are at this work session as a follow-up to the May 19th Council Meeting. He mentioned that City Manager Addison had sent a memo to him mentioning some items that need to be addressed. He stated that in the past, former Mayor Butler and the present Mayor Graham both expressed an interest in doing away with the City's refuse collection. He said that the 2014-15 refuse and yard waste collection budget was \$958,926 and that there was \$790,000 in revenue from the blue stickers and totes. He mentioned that the rates are the same as they were 20 years ago noting that the City started out charging \$3.00 then the price went down to \$2.50 and then returned to \$3.00. He pointed out that with the \$790,000 in revenue the actual total cost of refuse recycle is about \$710,000 so the City is actually making a bit more than what it cost to run the program. He stated given the fleet inventory, if the City was to look at a 10 year plan, the City should put away close to \$100,000 every year. The City is very close to breaking even. He mentioned that he has reached out to the greater community and he also had a meeting with one of the largest waste haulers in the country.

Representatives from the company came and asked Mr. Hayes what the City is looking for. Mr. Hayes said that if the company came in there would be certain advantages. He mentioned the one advantage would be One Stream Recycling in which residents would get one container for every recyclable item. Mr. Hayes mentioned that he wished Jefferson County would allow One Stream Recycling and discussed how it would make things much easier on the City. He pointed out that the downside is if the company comes in, they want to franchise the whole City and the company does not offer the totes or bags that the City currently has. In addition, the company only offers a 96 gallon container so it would have to be one size fits all. Mr. Hayes said that the average City resident only puts out a single bag and informed Council that the collection rate for a resident could go from about \$120 a year to \$400 a year. He pointed out that the City offers pretty good customer service and most City residents are happy with the City's service. He added that bringing a private company to the City would not save the City much money. He said that it is two extremes, one being the service the City provides and the other being one

that residents participate in. He mentioned that the company would certainly do a good job but it is expensive and suggested taking a look at improvements to the City's operation. He commented that a lot of the solid waste collection is yard waste with the other being bulk items and landfill monitoring which the City is under contract with the DEC for 40 years with 15 more years to go. He reminded Council that the City would still be obligated to pay for the landfill monitoring even if the company comes in and that cost to the City is about \$190,000 a year.

Council Member Macaluso wished to know if there really is any benefit for the City to give up the operations.

Mr. Hayes replied that even though things can look good on paper, it is not necessarily a benefit for the City.

Mayor Graham asked if Waste Management has their own means to get rid of recyclables.

Mr. Hayes responded that Waste Management has their own facilities, but they can use the landfill in Rodman.

Mayor Graham asked if other communities in the County source separate recyclables and if there is any other alternative for the City besides the landfill in Rodman.

Mr. Hayes answered that the alternative would be to drive to the Utica-Herkimer area where they have a single stream facility but noted that the City does not pay the County for recycling because it is already included in the fee.

Mayor Graham asked if the City has to take trash to Pamela or can the City use the landfill in Rodman.

Mr. Hayes confirmed that the City can. However, he pointed out the City is not allowed in the landfill due to the size of the City's trucks. He explained that only tandem axle dump trucks are allowed in the landfill.

Pete Monaco informed Council that the County has become more diligent in checking for recyclables. He stated that pressure has been put on them by the DEC. He clarified that they are not cutting open bags but are becoming stricter on items such as cardboard and construction waste. He pointed out that the County is happy with the City's handling of trash and recyclables.

Council Member Jennings asked if there was anything stopping the City if it decided to do Single Stream Recycling.

Mr. Hayes replied that the city would have to cover the cost of transporting it to a facility in the Utica-Herkimer area.

Council Member Jennings asked why the County is resistant to it.

Mr. Hayes replied that it was the cost. He highlighted that Herkimer had a two stream facility which originally cost \$10 million and then went to a single stream facility which cost an additional \$10 million.

Mr. Hayes explained that the County bails or crushes the recyclables and then finds markets to sell them to.

Council Member Butler asked if a double axle truck would save the City money in the long run verses the single axle.

Mr. Hayes pointed out that former Council Member Smith used to ask the same question but the savings would be marginal at best. He explained that the saving comes by loading trash from eight to ten garbage trucks into one single unit which is then transported to the landfill. He added that a single axle dump truck would not be worth it. He also pointed out that the primary refuse packer should not be entering the landfill because it would be subjected to possible flat tires and other damage and that a more rugged vehicle would be needed.

Mr. Monaco noted that it is a two hour trip up and back to the landfill and because they run a tight ship there, the haulers are at their mercy as far as how quickly the haulers will get in and out.

Council Member Burns told Council that this is a subject that has been debated many times over the years. She noted that it was debated heavily under former Mayor Butler. She also noted that there was a very vibrant debate at the time and at the end of the day, it was agreed by Council that the City has a very good refuse and green waste program as well as a wonderful DPW crew. She stressed that she would really hate to see Council give up the DPW crew. She pointed out that at the end of the day she does not care if it is cheaper because the City would not have the quality that the City has now. She expressed concern that this topic is a huge issue and that it will affect all the residents in the City of Watertown. She suggested that there should be one work session to discuss this further. She also noted that she is very satisfied with the service the City supplies.

Mayor Graham responded that he agrees and it is a much bigger issue than just saving money. It is a question of forcing people to use this company and there will be public relation problems and workforce problems.

Council Member Burns added that there will also be dealings with the CSEA due to eliminating positions.

Mayor Graham responded that even if people get moved around there is a political opponent too. He questioned Mr. Hayes if it is Waste Management and if the public would have to pay them directly.

Mr. Hayes said that Waste Management would prefer that the City pays them.

Mayor Graham questioned if Waste Management would pick up every resident that pays taxes.

Mr. Hayes answered yes.

Mayor Graham expressed concern that this would not only drive other trash haulers out of the City but it would also limit people's choices.

Council Member Burns noted that this will be an additional tax levy and that the Council needs legal advice on the matter. She apologized to Mr. Hayes and stated she does not think Council can impose a

tax levy on trash removal. She noted that if the City has to guarantee a payment, the Council will have to pass that cost onto the taxpayers and stressed that the only way to do that would be through a levy.

Mayor Graham indicated that the tax levy would be raised by a million dollars.

Mr. Hayes stressed it could be its own enterprise fund and explained it would not affect the tax levy because it would be no different than paying your water and sewer bill.

Council Member Burns stressed that it will affect taxes because there will be people that will not pay.

Mr. Hayes suggested that the City needs to clean house and one item that should be addressed is yard waste collection. He noted that if the City wants to establish a relationship with the County there needs to be a better system in place with disposing of yard waste. He informed Council that having people use paper bags for yard waste would be so much easier to discard.

Mr. Monaco noted that there were 25 tons of plastic bags thrown out last year.

Council Member Jennings said he thinks the City should keep things as it is. He stated that he thinks the City's program is very good. He indicated that he is interested in Single Stream Recycling and he believes it would increase recycling. He asked Mr. Hayes if there is any way to work with the County about this program.

Mr. Hayes replied that the City Manager would have to discuss it with the County Manager.

Mayor Graham asked Mr. Hayes if DANC wants to go to Single Stream Recycling.

Mr. Hayes replied that DANC wants anything that will reduce the amount of recyclables going to the landfill.

Mayor Graham stated that it looks like things stay as they are for the time being unless Council wants to discuss it further at an expanded session.

Mr. Hayes suggested continuing things as is but still keep the idea on the radar.

Citibus Operations - Eugene P. Hayes, Superintendent of Public Works

Mr. Hayes opened the discussion stating that at the same Council Meeting in May 19, 2014 the topic of city bus operation was discussed. He stated that there is no clear idea of where the MPO is going and what its impact will be on the Watertown urbanized area. He told Council that on September 19, 2014, NYS DOT Commissioner McDonald notified the FTA that the Watertown Jefferson County Transportation Council had been designated as the Metropolitan Planning Organization (MPO) for the Watertown urbanized area. He noted that this does not make the City a Section 5307 recipient. He said that on October 31, 2014, NYS DOT Commissioner McDonald notified FTA Region 2 that the City of Watertown has been designated by Governor Cuomo as a direct recipient of federal financial assistance under Sections 5307, 5340, 5309, 5324 and 5339. He stressed that the City is a direct recipient and that this is an important term so the money is there. He added that on November 6, 2014, he was notified by the FTA that all the documentation was received and in order. He said that this means that the City's status has changed from a rural transportation provider to an urban transportation provider. He noted

that the annual funding has increased from approximately \$145,000 under Section 5311 to \$950,000 under Section 5307. The numbers are calculated based on passengers and miles. He pointed out that this amount has to be spent down within four or five years and the only way the City can get the money is through individual grants. He added that out of the \$950,000 the City can utilize 50% for operating expenditures as well as paratransit cost and capital cost. He informed Council that under Section 5307 the money to buy new buses has to come out of the \$950,000 and the cost of a new bus is \$350,000. He also said the rules and operation under the Section 5307 will not change much and there will be frequent training for staff.

Mayor Graham asked Mr. Hayes if the additional money can only be used for capital purchases of buses or can it be used to drive down the current subsidy the city has for bus service. He also asked if the service area is expected to expand, if the service is going to be better, and if there will be fewer burdens on the property tax levy.

Mr. Hayes answered yes to all.

Council Member Butler asked Mr. Hayes what revenue comes from the bus service is.

Mr. Hayes replied that in 2012-13 the City had \$160,000 from fares, \$11,000 from advertising, \$244,000 from State Assistance Operating Cost and \$137,000 from Section 5311 which totaled \$551,000. He added that it cost \$823,000 to run the program that year.

Discussion centered on some of the rules that need to be followed under Section 5307 and how they differ with the City's current operations in regards to charter services.

Watertown Municipal Arena Renovation Design Update - Justin L. Wood, City Engineer and Erin E. Gardner, Superintendent of Parks and Recreation

Justin Wood started the conversation by stating that the project is about 66% complete. He said that the project started in 2013 and the initial cost estimate was over \$11 million. He informed Council that the cost now is down to \$7.6 million. He noted some of the progress that has been made, the technical issues that have been resolved and some options that the City can use to lower or defer the cost even more. He stressed that he does not think they are great options because it is money that will have to be spent at some point and it will only get more expensive. At this point, he noted it comes down to things that are deemed necessary such as lockers, concession, the lobby, bleachers and office space. If the City wants to reduce the square footage some difficult decisions need to be made. He pointed out that there has been feedback from user groups and Erin Gardner's staff.

Mayor Graham asked Mr. Wood if the project was just waiting for final approval and then it could go for bid.

Mr. Wood said this is correct and the final approval needs to be sometime in December.

Mayor Graham stated that he understands it is an expensive project but he personally feels that the arena is used by the public and it needs to be done. He stressed that the decisions that are made need to be right and not based on artificial dollar amounts. He stated that he wants to leave the meeting understanding that the decisions that are made create a good facility for the community yet is still affordable.

Council Member Burns said she thinks the project is worthy and that it has been whittled down the best it can be. She noted the arena is 40 years old and it was a wise decision by Council at the time to approve the arena. She pointed out that she thinks the current Council has been a good steward as far as doing renovations and enhancing the quality of life to the arena. She said the arena provides a quality space for families, residents and people from out of the area. She, however, expressed concern that the arena is a City owned facility that is no longer something to be proud of. She noted that people have to stand in a long line to use the restroom and the locker rooms are subpar. She stressed that this is not what the City of Watertown is about and if it is a City owned property then it should be something to be proud of. This project is an opportunity to move forward. She stated that she commends the staff for putting in the hard work and detail into the project. She stressed that if the City is going to do the project than it should be done right.

Council Member Jennings agreed with Council Member Burns. He said he likes the design and thinks the City should proceed with the project. He also confirmed that he supports the pool project and asked for clarification on the cost. He also asked Mr. Wood for the cost of the windows and if they would be closed in.

Mr. Wood said that he believes the windows will be replaced but was unsure of the cost at this time.

Council Member Jennings noted that the project is an investment for the City.

Council Member Macaluso agreed that it is an investment but at this time the expense is just an estimate and that the bid could be something different. She stated that she is not against the arena project but feels that Council needs to really think about the cost and not forget the other projects that need to be done such as the courtroom and Factory Street. She noted that when all is said and done there will be a \$20 million debt on the city. She stressed she is becoming very concerned over the cost of the projects.

Mayor Graham clarified that when the bids come in that any Council Member has the right to vote against it.

Council Member Macaluso clarified that she just wanted her feelings known.

Council Member Butler stated that it is important to communicate with the public regarding the impact on the budget and what it will cost the taxpayers. He suggested running a preliminary budget so Council can see more clearly where to make cuts or raise revenue.

Ms. Gardner told Council that currently the fees to use the arena are much less than any other arena within 100 mile radius. The City charges \$70.00 to \$80.00 an hour while other arenas are charging \$100.00 to \$120.00 per hour and some are even charging up to \$200.00 an hour. She noted that last year a decision was made not to increase the rates until after the renovations. She clarified that she knows the fee increases will not add up to \$900,000 but if Council agrees to the new fees that she recommends at budget it will definitely impact the revenue.

Council Member Burns thanked Ms. Gardner for her input and agrees that increasing user fees will increase revenue. She noted that she has talked with local business people that use and rely on the arena

and they agree that if the arena is renovated it will make for a more positive experience and will bring in additional monies.

Mayor Graham stressed that a lot of the renovation is maintenance such as the roof and the concrete slab. He stated that the roof is old and it equals to about an acre of metal, however he believes that it is well worth the investment and that the arena will get more use.

Council Member Butler asked Mr. Wood to clarify the Clerk of the Works verses the other options.

Mr. Wood explained that for a project of this size a Clerk of the Works would be the best solution and be the most cost effective. He stated that he does not feel there needs to be a large construction management firm overseeing the project but rather one very talented intelligent person running the show and making sure the quality is there and the contractors are doing their job.

Tour of Proposed Dog Park Sites

Mayor Graham Reminded Council about the tour of the Dog Park Saturday November 15th at 9:00am

Work session ended at 8:22 p.m.

Margaret M. Puccia
Deputy City Clerk